



Queen's University at Kingston

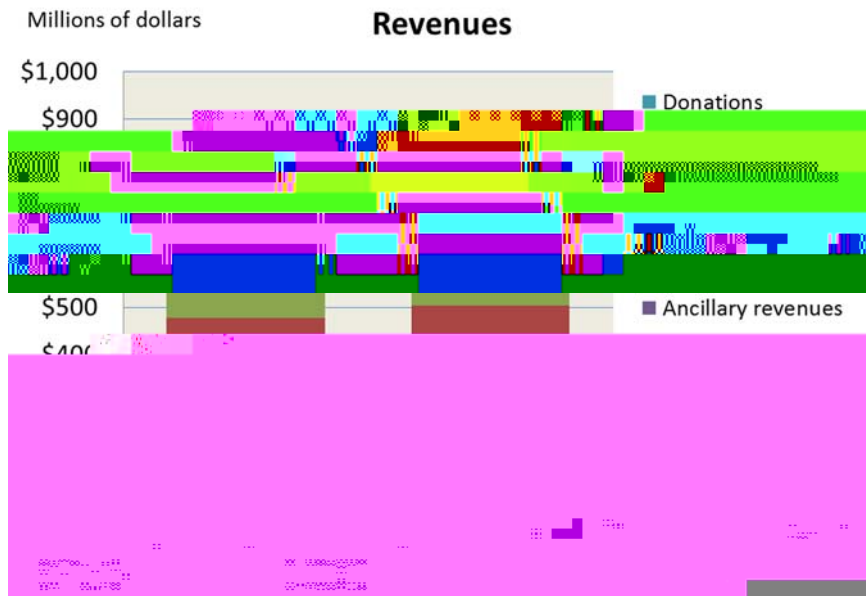
April 30, 2016

As we prepare to enter the third year of our strategic framework and celebrate our 175th anniversary, Queen's University at Kingston ("the university") remains focussed on the overarching goal to strengthen the university's vision as Canada's quintessential balanced academy, recognized equally for research excellence and a transformative student learning experience. Underpinning the success of this vision is long term financial sustainability. To this end we continue to carefully manage our financial risks which include our unsustainable pension plan, a significant deferred maintenance backlog, and continued reliance on grant support and tuition revenue (both of which are controlled by the government).

As presented in the attached consolidated financial statements ("the financial statements"), the university completed the year ended April 30, 2016 in a stable position with a surplus of \$39.5 million. This surplus is driven primarily by higher than planned student enrolment and significant efforts across the university to constrain costs. Despite the surplus, the financial position of the university was negatively impacted by weak investment returns. In accordance with the university's commitment to ensuring that as much revenue growth as possible remains available to support the ongoing enhancement of the university's academic mission, faculties and schools retain all surpluses to support academic priorities in future years.

In the coming year, the university will continue to invest in improvements to the campus infrastructure in ways that will enhance our student experience and research prominence. Planning for the Queen's Innovation and Wellness Centre continues. This facility will In di en F F t t ols n nckf ce

REVENUES



At a glance...

Revenues grew by 7.1% in 2015-16 due largely to an increase in donation revenue as a result of a generous donation of artwork during the year. Growth in student fees and other revenues was offset by lower investment income and research grants and contracts.

Student fees

Student fee revenue includes tuition fee as well as other fees related to activities such as student health, recreation, and athletics. In 2015-16,

Thousands of dollars
2015 16 2014 15

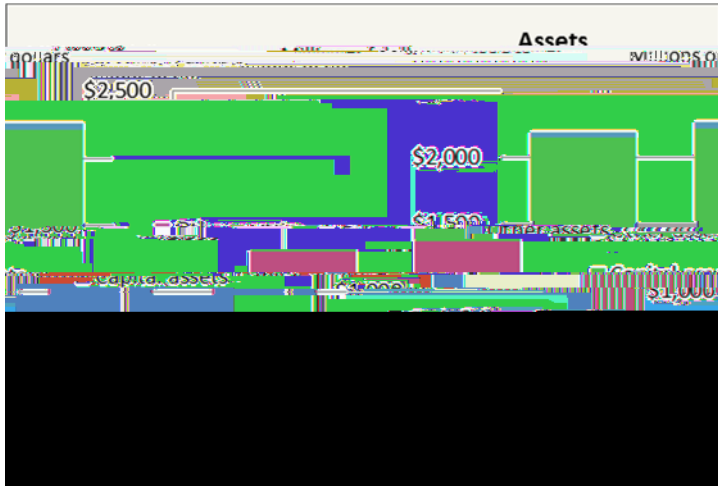
Salaries and benefits expense

Salary and benefits	\$ 413,252	\$ 399,231
Non pension employee future benefits	7,887	7,529
Pension		
Current service cost	23,030	22,254
Financing cost	1,750	(444)
Total	\$ 445,919	\$ 428,570
% of total expenses	51%	54%

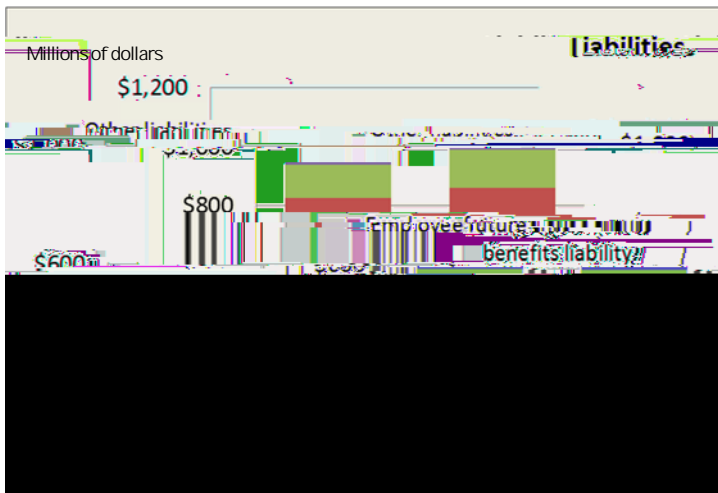
Employee Future Benefits Liability

Pension (surplus) / liability	47,362	30,179
Non pension employee future benefits	83,397	81,262
Total	\$ 130,759	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT A GLANCE



Assets of the university increased by 3.4% overall, due primarily to the growth in cash and investments.



Liabilities of the university increased by 5% largely as a result of the increase in debt related to the construction of the new residences as well as an increase in the liabilities related to employee future benefits. Further information on employee future benefits is provided in the previous report.

), 1 \$ 1 &, \$ / + (\$ / 7 +

/v D Œ Z îîíð šZ μv]À Œ•]šÇ o μv Z]š••šŒ š Pí]õχŒZi Á)ÀŒŒ (ŒŒZ\$ZP
P} o }(šZ (Œ u Á}ŒI]• š} •šŒ vPšZ v šZ [μv]À vŒ••]šÇ\$] Á]•]ðvv
v•μŒ]vP Á Œ u]v μv]À Œ•]šÇ Œ }Pv]İ ‹μ[•ëP2]1Pp} u `t1 à Á Pvô/

o1A D ^A00 0 • μ %Á

E š K%o OE š]vP Z À vµ • Z š]]

dZ v š }%o OE š]vP (

OE š]] u •µOE }((]

%o OE({OEu v X W}•]

(o}Á (OE}u }%o OE š]]

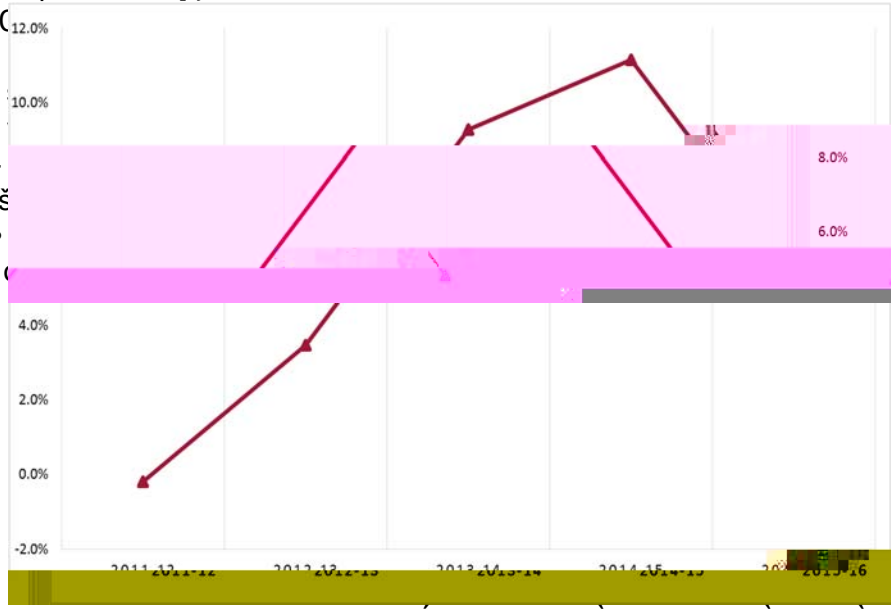
•šOE vPšZ v]vP %o}

}vÀ OE• oÇU •šOEµ š

•Z (o}Á• OE ou}•

]v] š]]v }((]v v]

%o OE ••µOE •X



(]v]š]]}vW •Z (o}Á]v{OE}uš]]%o]OE •]À]OE À Çµš}š

E š /v }u l >}•• Z š]]

dZ v š]v }u l o}•• OE š]]

u •µOE • šZ %o OE v š P }(

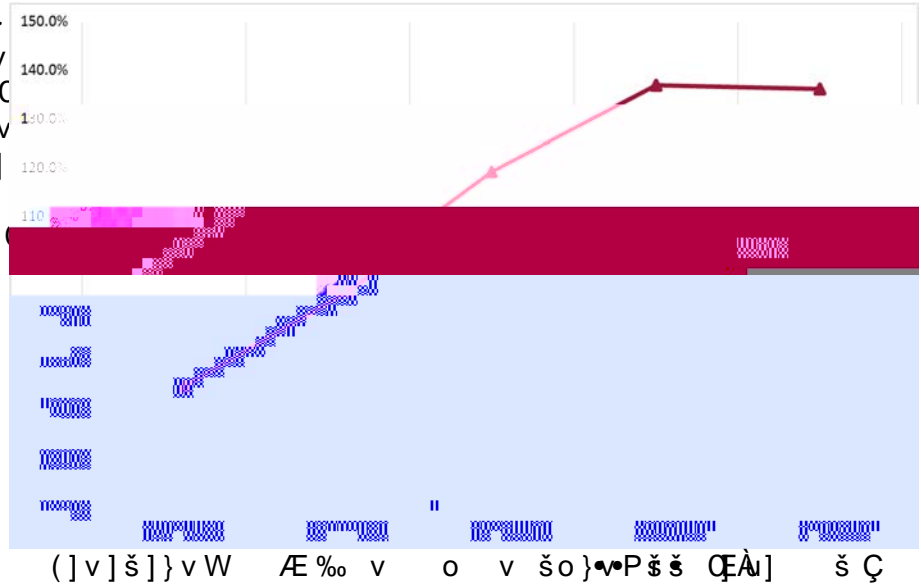
OE À vµ • šZ š }všOE] µš š} v š

•• š•X dZ }i š]À }(šZ]•

OE š]]]• š} šOE l šOE v •]v v

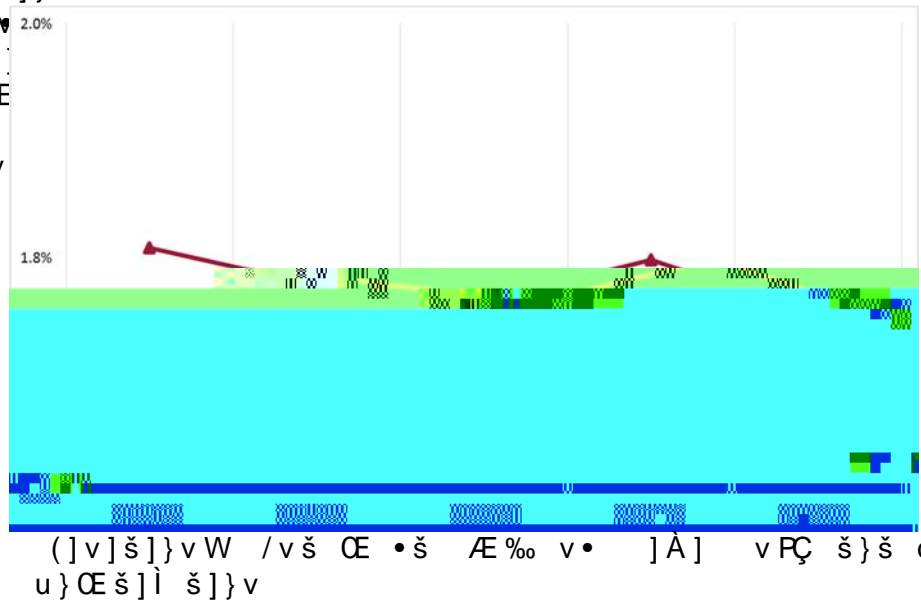
s]]o]šÇ Z š}}

dZ À]]o]šÇ Œ š}}
]v] š}}v }(šZ Z(µv
š} • ššo šZ µv]À Ç
š Œu š } o]P š}}v
%o}]vš]v š]u X dZ]
%o Œ}À] • ••]•š v
À oµ š]vP š ((}



/vš Œ •š µŒ v Z š}}

dZ]vš Œ •šŒ µŒ }v
]v] š}Œ }(š ((
/š]v] š • šZ %o Œ
š}š o Œ%o v • • µ•
šZ }•š }(• Œ}À]]v
µv]À Œ•]šÇ[• šX



3(5)250\$1&(2) 7+(23(5\$7,1*)81'

dZ } CE }(dCEμ•š • }%CEES)Á P (šZv u)μ]P }SE•všZ % CE({CE u v } (šZ }%
(μv šZCE}μPZ}μš š)Z% CE ŠXP QZv CE % (CE)v•v)š] šñ9 CE Á vμ]v ïïñríòX

dZ } CE }(dCEμ•š •š% vCE} (šZ vo oμ• š)](vCE •}μCE • Á]šZ]v šZ }% CE
(μv v CE u]v• (} μ• }v Z] Á]vP o v μ P šX μ]•P š• uCE % CE %
]v oμ CE Á }Áv• }(•Z CE • CEÀ • š} o v X

ïïñríò K% CE μš]vP	dZ}μ• v •}ϕ(o CE• šμ o μ P š s CE] v
Z Á vμ	ñōóUïïō ñïōUïïó óôUíôî
> ••WAE% v]šμCE •	~ñōðUòð†•ñïïUóó†•ïïUòòò•
^μCE%-oμϕ]]š•	ïïUñòò ~ííUóðñðUííð
dCE v•(CE(CE\$μ•]vš CEv o o Ç SE••šCE] š	~ïïUññï• ííUóðñ~ððUíóò•
/v CE]v μvCE •šCE] š •μCE%oμ•	íò _____ r _____ íò
K% CE •š]CEP%oβ]v v}vP CE	ô ô ó
K% CE •š]CEP%oμ)•Ç CE	õ ï ï

&}CE ïïñríò šZ μv]Á CE•]šÇ μ P š (}CE]]CE}(Á "})ÁXó μ(CE]†vCEÀ • μš Z]P
CE Á vμ v šμ CE] v o]Çv (E% v% • o}ÁP CE šZ \$%μCE š]vP (μv •μCE%oμ• }
"ïïXò u]oo}}vX dZ }Á]CE%]αβ•}CE]š o š%CE (E]š]μ]E]š]G]š]E]š]• F]y o%μ CE]PCE %}]š o
CE v Á o v CE • CE% v(•]CEv (%š ÇCE v š•X CE μ CE%oμ(• Á o š] •v Z• š •]]v
% CE š u v š o CE • CEÀ •]v }CE v Á]š% CE μ o š]š Ç• CE) (%CE%oμ CEÀ CE}š]v
u] %CE}}CE]š] •E]ÁZCEu)(i}CEšZ šZ šZE ÁEV% v v]šμCE À CE] v • }Á]•

&2162/,'\$7(' 67\$7(0(17 2)),1\$1&,\$/ 326,7,21
\$V DW \$SULO
7KRXVDQGV RI GROODUV

\$66(76
&XUUHQW
&DVK
\$FFRXUHWMLQREVOH
/RDQMFHLQREVOH
3UHSQSEQVHV
,QYHVWRQWV
7RWFQDHWQWV

G • V Wp ðQ#

!HQW !RWH ñhp À ‡ @ 5C

/RDQMFHLQREVOH
,QYHVWRQWV
&DSLWVQWRWH

G • V Wp ðHSU A1>Âww 7

/, \$%, /, 7, \$61' 1(7\$66(76
&XUUHQW
\$FFRXUHWMLQREVOH DFFUXHGRMLHELOLWLHQWRWH

&2162/,'\$7(' 67\$7(0(17 2) 23(5\$7,216
<HDU HQGHG \$SULO
7KRXVDQGV RI GROODUV

5(9(18(6
*UDQWFR QWUDFWV
6WXGHQW
6DQHVH DQGF \$ URGXFWV
'RQDWLRQV
,QYHVWQFRWRWH
\$PRUWL]DWLHQ HFRQDWSULLVQRWLRQV
2WKHU

(;3(16(6
6DODDQBVQHILWV
6XSSDQBVUYLFHV
6WXGHQW DVVLVWDQFH
:RUNM DUW
([WHUQDOO\ FRQWUDFWHG VHUYLFHV
\$PRUWL]DWLHQ RIGHWYR 2öÜÄ çD@PRR LIL@PR'

&2162/,'\$7(' 67\$7(0(17 2) &\$6+)/2:6
<H DU HQGHG \$SULO
7KRXVDQGV RI GROODUV

23(5\$7,1\$&7,9,7,(6
([FHRM HYHRXHM SHQVHV
1RQ FDWIKPV
\$PRUWLJGWHURQURIG FDSLWDO FRQWULEXWLRQV
\$PRUWLJDFWISRWRO DVVHWV
&KDQJHPSORXHM KUH EHQHILWV
1HFKDQQHQRCZFDNLQJ FDSLWDO QRWH
&DVKURYEGRSHUDWLQJ DFWLYLWLHV

,19(67,1\$&7,9,7,(6
1HFKDQQORUHFHLYDEOH
1HFKDQJHQYEVWPHQWV
3XUFKDMHWRISRVDQV RI FDSLWDO DVVHWV
,QYHVWPHQWUWBRDWSGDHFWOQH DVVHWV
&DVKHGQLYCHVWLQJ DFWLYLWLHV

),1\$1&,1\$&7,9,7,(6
,VVXDQFHRIORQJ WHUPGHEW
5HSD\PHQRVJRWHEWP

RT00R

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HGGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVB OLCG DW RRGV D QG Q R U W K H Q W D W N H Q R Q W G

\$87+25,7<

4XHHQ V 8QLYHJWWL RQ D W KH XQLYH UWK M D X W S R U D D W & H R D X M G H D S Q G
VXEVTXH Q V G I S G H R Y D Q F L D O V W D W X W H V 7 K S H R P W W I H F Q G R G D N K G X D Q W I H Y H U V L V
HGXFDWLR Q Q G H F R P P X K L W \ V H U Y L F B U 7 K J L X Q H M H G V E L K D U L W F W D Q R Q L V W K H U H
WKH ,QFRPH 7D[\$FW H[HLQSWRPIWRMPD\$D\PHQW RI

7KH XQLYHU 8L\$W7 (R,Q Q R O W L R Q V R Q K H O % D N G X H U & Q H W M U Q H D W L K H 8 6) R X Q G I
8QLYHUVLW\ D&W'. Q Q J V D Q R Q 4XHHQ ¶VG8 Q U X M W V) L X Q G 3 R F F H U G Q Q Q L D W V W D W
FRQVROLDG F W R Q W K H V H R U J D Q L J D W L R Q V

3\$57(4 ,QQRYDWLRQV LV LQFRUS & (P2WR æ 3P A.K.H.D @BpADX@ @WKIDBYÀP P F D

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HQGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVBLEGDWRFRVIDRQQRUWIKOWEDWHERQWG

F p•0Q Gb X V W L! g~ "E4 da f sp L Q

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HQGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVB LGG DWRFV D QG QRUWIKO W DWNH ERQWG

6WXGHIQW DUH UHFYRIQLH LGG DWKH H VHDRL Q BXUVV D V HDI QGG

6DOHV DQG VHUVIFRHV Q L J H V H R W M S B L Q W K H Z K E H S Q R H Y K D W G

([WHUQDOOL QYHWWULHFQWM G QFRPH HVZUKHFR WKIH] HGH DW ULLHYWLRQ LV PHW

LQYHVWPHQW LQFRPHYHQX HFGX Q L Q E H G M B W L S H U V R H G U Q H G

I :RUNV RI DUW

7KH XQLYHUVLW\ PDRQLQ D UWF (KQURV FVQRDQV L F D O D Q G P R G H U Q & D Q

FRQWHPSRUDU\ \$PHQLF D W D Q & L W D Q D Q D S D Q G J S I U L F D Q

&RQWULEXWLRQV RI FRODMFVRLQDQW R E P O G D H U S H U H F R W D G M D Q D X H D W W K H G

FRQWULEXWLRQ \$WV ZR S J N Q S X I G F B D M H R F X L H D S H Q X H L G W K H X Q L Y H U Y

FROOHFWLRQ LøSRUD H ð0Q H P U K L F K Q H `00P à OÀvp0p0 XU H •UPÀ SÈ 0€ Q

-4.5 5041 TfB0051>.6 <0058004F>-06 <005802<00 <00030C>30000301A57010602>-2.0053J 0.. <00 <01100037 <00

5HVHDUFK IXQGV
7UXVW IXV

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended April 30, 2016

(Amounts in the notes to the consolidated financial statements are in thousands of dollars unless other

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year ended April 30, 2016

(Amounts in the notes to the consolidated financial statements are in thousands of dollars unless otherwise noted)

Information about the university's benefit plans at April 30 is as follows:

	2016			2015		
	Pension benefit plan	Other benefit plans	Total	Pension benefit plan	Other benefit plans	Total
Accrued benefit obligation	\$ (1,849,611)	\$ (83,397)	\$ (1,933,008)	\$ (1,864,142)	\$ (81,262)	\$ (1,945,404)
Fair value of plan assets	1,802,249	-	1,802,249	1,833,963	-	1,833,963
	\$ (47,362)	\$ (83,397)	\$ (130,759)	\$ (30,179)	\$ (81,262)	\$ (111,441)
Other benefit plans					(30,262)	

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HQGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVB LGG DW RRGV LGG QRUWIKO WBNHQRWG

,17(51\$//< 5(6&5,(' 1(7 \$66(76

'HWDLOV RI DQDFUH V D G H E D V IROORZV

'HSDUWFDI QW DROU ZDUG IXQGV

\$QFLODWMHUSULVHV

8QVSVHSQHS KDQIR QGV

8QV SUHQWHI QIKV

,QVXUDI QVHUYH

,QYHVWPHQDW V B WFD SLWDO

6LQNLQJ IXQGV

2WKHU B D S H W D V

(PSORIVH H K H G HILWV

3HQVD L Q W K H Q B D W Q V

5HVHUYH

,Q RUGHU WR HQFRXUD RH X D X G L F W R K L W Q I S H R G L W X S H U P L W V I D F X O W L H V O
DGPLQLVWUDWLYH X Q L W S H W R G H G L U R G U H U Y D B G Q B Q W U W K W F K H G B Q D W L D U V

\$QFLOODU\ HQWHLSULWHHQWEHDDR QVHFWU LX,QL

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HGGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVB LGG DWRFV LGG QRUWIKH WDWNH QRW G

1(7 &+\$1*(,1 121 &\$6+ :25.,1* &\$3,7\$/

7KH QKDWQJH LQZGRN LFDSIKWDO EDORSHFDWULRQDWFRQWLRWV RI WKH IROORZ

1HW FKDQJH LQ QRQ FDKVZRNLQJ FDSLWDO

\$FFRXQWV UHFHLYDEOH

3UHSDLG H[SHQVHV

\$FFRXQWV SD\DDDBEDLGGWLFVXHG

'HIHWHYHQFRQVGLXWLRQV

),1\$1&,\$/ ,167580(176

D)DLYDOXH

7KH FDUU\LQJ YDOXHWVRUHFHMLYDEORH DQFODLWVSSWBIHVPDWH WKHLU ID
YDOXH GXHWWRHWKWKHLDV SHULRGWWRHDDWXULW\ RI WKH LQ

7KH MDLQLQYHVWPHQWV LV GLVFORVHG LQ 1RWH

'HULYDWLYH ILQDQFLDO LQVWUXPHQWV

7KH QRWVQDOYDOXHV RI WFRQVWDEJQVFXWHHQQFAROORZV

1RWLRQDO 1RWLRQDO
YDOXHDLU YDOXHDOXHDLYDOXH

86ROODU

2WKHU

)DLU YDOXWHUPLQDGT&BWHHG PDUNFNO SWLRQVR 7KPKSRQD DDXNLHWE DRQGLV
DW SHFLILF SRLQW LQ WLPH DQGDRL\ YDORXIEH UTKKHDFVULHLEORXFKXWXLQH\F
LV UHSDRUWHG LQLQYHVWPHQWVFKDQVWKH IDLU YDOXWURHQFKH IR
FRQWUDFWV LV DFRQVZHGRKRLQFRQWFRQVWDEJQVFXWHHQQFAROORZV
RI FKDQJHV LQ QHW DVVHWV

)LQDQFLDO 6WDWHPHQWV
<HDU HGGHG \$SULO
4XHHQTV 8QDWHUQUWWRQ

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<HDU HQGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVB OLG DW RRV D Q Q R U W K O W D W N H Q R W G

E)LQDQFLDO ULVN

7KH SUUDN\H[SRVXUHV IRU LQYHVWLQJWYHVDWUHU DRUHHYJRODFWUOHV\FDQ
7KH XQLYHUVLW\ WKURXJK WKH ZBUNRRUPLDVS,ROYLFLMRYHQWG&SRPPFLWGXW
JRYHUDDLVWVDPQJ HTXLW\ IL[HG LQFRMWDQGWVOWHTQIDUWLQYJHGLYHUVL
FDWHJRULHWIDQGOLPLWV RWRWIKBXDQHLQYBYSPXQWVSDUWLHV

*DLQG ORVVDVURBQHRFKDQH FRQWQDIFVZKHQ UHFR PDVPRXWVKH QRW
GHULYDWLYE MWDXCFQVON GHG ILQVKWDMQHPHQWV

7KH XQLYHUVLW\ KDV HQWIFUKDQLEWRQWUZDQGPDYHHHJQKDWXBWLRQV D
PLWLJDWH DQ\ XXVNUMDLQDQFIRDO UHVXOWV

217\$5,2 678'(17 23325781,7< 75867)81' 2627) \$7582177\$252678'(17
6833257 2766

8QGHU WHUPV RIDJLQHFVOWWRZIGRYDQWENGOOV 'HYHORSPHQW QRWH GLVF
VHSDUDWH DXGHSRUGWHDWHHQGTXLHG

([WHUQDOOHQGRZPUGWVFGLEHG LQGRWRQLHVQSFORYLGHG2QWWDKHL*RYHUQF
IURP WKH 2QWDULR 6WX&EQG 22SVDWLRUZWXVXQVWFKXSISRWVJUDPV WR D
VWXGHQWHDVXUMLDLQDPRQRWQDQRZHG GRQDWLRQV

7KH XQLYHUWLGHVWKHUHFQRZGLWJ SPSURWEDWKH

(QGRZPHQW

2SHQLQJ EDODQFH

7UDQWIRHSJHGDEOH IXQGV

(QGRZPHQW

([SHQG)DQW

2SHQLQJ EDODQFH

,QYHVWQPHRQW

%XUVDDHGHG

7UDQWIRHQGRZPHQW

([SHQGI)DQWDLQDZOHGV

1XPERUEXUVDULHV DZDUGHG

7KH PDUNHW YDOXHVRIWHQGBZPH)QSKDXQLDW \$SULO

)LQDQFLDO 6WDWHPHQW
<HDU HQGHG \$SULO
4XHHQTV 8QDWHUQUWWRQ

127(6 72 &2162/,'\$7(1\$1&,\$/ 67\$7(0(176

<H DU H QGHG \$SULO

\$PRXQWKHLQRWHV WR WKH FRQVBOLG DWRFRV D Q Q Q R U W H O W D W N H Q R W H G

I 612/\$% \$VVHW UH WL UHPHQW REOLJDWLRQ

\$V VWLSXODWHG ZLWRLQ WKH 18R\$DWWQVWKMLRQ 8QLYHUVLWYHDKK MRLC
SURMHFW 10LDVHLOW WIDQGDPRHQW RVEH BHP EGHGLQVWLWQGLRQDWHKH DJU
GHRPPLVVLRLQLJ FRVWV H R W 2W L Q R U R D P R Z H O X G D X U 6 1 2 / \$ % I D F L O L W \ H [S
WKH UHVS R Q V L E L W L W X V R L P Q V P E H D W H L Q R Q D W H K V K D U S H U R S R U

7KHUH DUH QR LPUPGHFRPPLSVDQOLIQV RU WDKWHIDFRQDWOH HVWLDPDWH RI
GHRPPLVVLRLQLJXJURDQVDFXUWIDHYZHQWYHDYHESLQWKH IDFLOLW\ DQG
GHRPPLVVLRLQLJ R F F Q R I W R R S C H F W W G R V O R K E D V K E O H Q P D G H L Q W K H I L Q D
VWDWHPHQWV

J 2WKHU

,Q DGGLWLRQ WR WKH FDSLWDO FRPGLWPHH SWQVGLRQF O B M F I G B I Q S D R P H H Q W
WKH XQLYHUVXHG\KDWWHUV RU IFQW H G R L W F B S R Q D O S E R Q X D W U D X F W H H G D Q
RSHUDWLQJ BLQH R R E U S \$ S Z V , Q Q R Y D W L R Q V

&203\$5\$7,9(),*85(6

&HUWDLQ FRPSDUDEMIHQHUHFXOWWZLDWHS WKH FRQVWUHQW QWBWLRQ